

25X1A9a

CLASSIFICATION

~~CONFIDENTIAL~~

25X1A

CENTRAL INTELLIGENCE AGENCY

REPORT NO.

INFORMATION REPORT

COUNTRY Austria

DATE DISTR. 8 December 1948

SUBJECT Proposed Nationalization of Austrian
Electrical Industry

NO. OF PAGES 1

PLACE 25X1A6a

ACQUIRED

RETURN TO CIA LIBRARY

NO. OF ENCLS.
(LISTED BELOW)

DATE OF I

25X1C

SUPPLEMENT TO
REPORT NO.

25X1X6

1. A proposal for the nationalization of the Austrian electrical industry was circulated last week to interested officials in the various ministries. The plan was prepared by Dr. Peter Krauland's Ministry of Property Control and Economic Planning and the Federal Railways without prior consultation with the Ministry of Finance. According to the text, Elin A.G. is financially the most stable electrical firm and the largest producer among the non-USIA plants. Under this plan, Elin A.G. was therefore to receive priorities, the monopoly on the production of some items, and the control of all exports from the nationalized electrical companies. The plan proposed the merging of the Siemens-Schuckert plant in the Nibelungengasse and the non-USIA section of the AEG Union, with Siemens assuming the large AEG liabilities toward the Creditanstalt. The merged companies were then to be controlled by Elin A.G. The budget for the projected Oesterreichische Elektro-Maschinenbau A.G. (OelAG) plant at Deuchendorf, Styria, was raised from the original 20,000,000 schilling estimate to 75,000,000 schillings. 25X1X6
Comment: Presumably part of this money was to come from the Creditanstalt. The plan was interpreted by informed circles as an attempt to bring the nationalized electrical industry under Creditanstalt control with the help of Engineer Seober (fnu), planning adviser for the nationalization of the electrical industry in the Krauland Ministry.)
2. USIA firms were deliberately omitted from the plan pending clarification of their status. Comment: It is doubtful that the political parties would accept any plan ignoring these firms, since it would weaken claims for their future reintegration into the Austrian economy.)
3. The opposition to the plan by Labor, electrical firms, and the Ministry of Finance was so strong that the plan was withdrawn on 3 December 1948 and not publicized. As a counter proposal, Siemens drafted a questionnaire to be sent to all firms affected by the nationalization plan. If accepted by the Krauland Ministry, this questionnaire is to form the basis for a new plan. The questions are intended to elicit evidence to prove the actual financial status of the firms. 25X1X6
Comment: By this questionnaire Siemens hopes to prove a) that the figures in the first plan were falsified in order to hide the large Elin A.G. debt to the Creditanstalt and b) that the greater part of the Austrian electrical industry is operating on large Creditanstalt loans.)

Document No. 2

CONFIDENTIAL

NO CHANGE in Class. ☐☒ DECLASSIFIED

Class. CHANGED TO: TS S C

STATE R	X NAVY	X NSRB	DISTRIBUTION	LISTING	MOST BE
ARMY	X AIR				

WARNING NOTICE: THIS DISTRIBUTION LISTING MOST BE
EXCISED BEFORE PUBLIC RELEASE OF THIS DOCUMENT.

DDA Memo, 4 Apr 77

Auth: DDA REG. 77/1763

Date: 08 MAY 1978 By: 24